

BINGO DEPARTMENT

STATE OF NEVADA
GAMING CONTROL BOARD
INTERNAL AUDIT COMPLIANCE CHECKLIST

BINGO DEPARTMENT

WALK-THROUGH PROCEDURES

For the walk-through procedures, indicate (by tickmark) whether the procedures were confirmed through inquiry of licensee personnel, via observation of procedures, or examination of a completed document.

Review prior internal audit reports. Schedule any relevant exceptions cited, including those cited by the GCB or the external auditor, or include a copy of the prior audit reports in the work papers and follow up on any problems noted. Duplication of exceptions when the external auditor is referring to exceptions reported in internal audit reports is not necessary. **Note W/P Ref.:** _____

All “no” and “n/a” answers require an explanation and disposition (e.g., approval of alternative procedure granted by the Board, including computerized applications). All exceptions noted should be carried to the internal auditor’s report/summary of findings for timely follow-up. **Note W/P Ref.:** _____

The bolded number following each question refers to the applicable regulation/statute.

Scope

This checklist must be completed once in each fiscal year.

MICS Variations and Regulation Waivers

Obtain copies of MICS variation requests and GCB correspondence regarding such requests from appropriate property personnel. Review to determine status of evidence of any waivers or alternative requirements imposed by granted variations. Modify and/or perform additional procedures as applicable.

Associated Equipment

Determine if field trial or final approval has been received for all associated equipment used in bingo. For all unreported associated equipment, cite violations of **Regulation 14.290**. If any associated equipment is currently on field trial, it is not necessary to perform a walk-through of the procedures in effect utilizing the field trial letter. For “approved” associated equipment, utilizing the final approval letter, perform a walk-through of any **special requirements** imposed on the use of the associated equipment including any additional controls which were included in the written system of internal control.

Date Approval Granted	MICS Number or Regulation	Description of Variation/Waiver Granted or Associated Equipment Approval	Number(s) of Procedure Modified or Added	W/P Ref. (if appl.)

Note: Variations/waivers and associated equipment need only be scheduled once. Refer to the work paper where the details are scheduled and complete the last two columns of the above grid if walk-through procedures are affected.

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	YES	NO	N/A	COMMENT, W/P REFERENCE	PERSON INTERVIEWED/ TITLE
1. Complete the CPA MICS Compliance Checklist for Bingo in accordance with the CPA MICS Compliance Reporting Requirements "Guidelines".					
Surveillance 2. Is adequate video surveillance provided over the bingo area? Regulation 5.160(9) and Surveillance Standard #4					
Free Play and Promotional Items 3. If free play or promotional items are <u>currently</u> being offered, is the accounting treatment proper? NRS 463.0161, NRS 463.3715 and Regulation 6.110					
In-house Progressive Payoff Schedules 4. Scan progressive meter readings for the most recent two weeks and determine that: a. The amount of each progressive payoff schedule is recorded at least one time daily. Regulation 5.110					

E = Confirmed via examination/review
I = Confirmed via inquiry
O = Confirmed via observation

	Initials	Date
Prepared by		

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	YES	NO	N/A	COMMENT, W/P REFERENCE	PERSON INTERVIEWED/ TITLE
b. The payoff amount has not been decreased except as allowed by Regulation 5.110 . (Any reduction should be supported by appropriate documentation.)					
5. Is a record of the base amount for each progressive payoff schedule maintained? Regulation 5.110					
<u>Procedures Modified or Added</u>					

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TESTING PROCEDURES

OBJECTIVES: To determine if controls for bingo are adequate to ensure bingo revenues are accurately stated in financial records and comply with the MICS.

PREPARATION: Review the MICS variations and regulation waivers scheduled during the bingo walk-through procedures. Modify and/or perform additional procedures as applicable. Note below the number of the procedure modified or added. Only the last two columns need to be completed if the remaining information is scheduled in the "Walk-through Procedures Checklist".

Date Approval Granted	MICS Number or Regulation	Description of Variation/Waiver Granted or Associated Equipment Approval	Number(s) of Procedure Modified or Added	W/P Ref. (if appl.)

SCOPE: Unless otherwise indicated, select 1 day per year.
Indicate Test Date: _____

COMPLETION: All exceptions noted should be carried to the internal auditor's report/summary of findings for timely follow-up.
Note W/P Ref.: _____

NOTE: A shift is any time period, designated by management, up to 24 hours.

	W/P Reference/Comments	Auditor's Initials/Date
1. Review prior internal audit reports. Schedule any relevant exceptions cited, including those cited by the GCB or the external auditor, or include a copy of the prior audit reports in the work papers and follow-up on any problems noted. Duplication of exceptions when the external auditor is referring to exceptions reported in internal audit reports is not necessary.		
2. For one session, foot sales and payouts and trace totals to session summaries.		

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TESTING PROCEDURES

	W/P Reference/Comments	Auditor's Initials/Date
3. Foot sales and payouts on the session summaries and trace totals to the bingo daily report.		
4. Foot the cash turn-in envelopes and trace totals to cash turn-in on the bingo daily report.		
5. If any free play or promotional items were in effect on the test date, determine that the accounting treatment was proper and that win/loss on the bingo daily report was properly computed.		
6. Trace win/loss or cash turn-in (if applicable) on the bingo daily report to cage accountability or cash summary sheets.		
7. Trace the win/loss on the bingo daily report to the monthly revenue journal. Note: Win/loss must not include overs/shorts.		
8. For the month in which the test day was selected, foot the win/loss amounts in the monthly revenue journal. Trace the win/loss from the monthly revenue journal to the NGC tax reports. Examine general ledger accounts for the propriety of any activity that affects reported revenue.		
<u>Procedures Modified or Added</u>		